

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 28, 2009

Aimee Smith  
Sempra Energy  
101 Ash Street, HQ-12  
San Diego, CA 92101

**RE: San Diego Gas & Electric's Above-Market Funds Balance**

Dear Ms. Smith:

On February 20, 2009, the Commission adopted Resolution E-4199, which set forth cost limitations for the investor-owned utilities and eligibility criteria and guidelines for approving requests for above-market funds (AMFs) of renewable energy contracts negotiated through a competitive solicitation. Based on the inputs for calculating the cost limitation as set forth in Public Utilities Code §399.15(d)(1), the Commission calculated and adopted \$69,028,864 as SDG&E's total AMFs. The Resolution ordered each utility, within 30 days of the effective date of the resolution, to submit confidentially to the Energy Division Director an AMFs Calculator and all relevant documentation for each Commission-approved renewable energy contract and pending renewable energy contract with a contract price above the market price referent (MPR).<sup>1</sup>

On April 13, 2009, SDG&E timely submitted an AMFs Calculator for one Commission-approved contract, Mount Signal Solar/MMR Power Solutions, LLC.

Based on Energy Division staff's review of the AMF Calculator for the Mount Signal Solar contract, SDG&E's AMF balance is zero. Pursuant to Public Utilities Code §399.15(d)(4), and subject to Commission approval, SDG&E can still voluntarily procure eligible renewable energy resources above the MPR even though their cost limitation has been exhausted.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie A. Fitch".

Julie A. Fitch  
Director, Energy Division

CC: R.06-02-012, R.08-08-009

<sup>1</sup> Ordering Paragraph 13